

COUNCIL OF THE COUNTY OF MAUI  
**BUDGET AND FINANCE COMMITTEE**

December 3, 2004

**Committee**  
**Report No.** 04-201

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on November 9, 2004, makes reference to the following:

1. County Communication No. 04-237, from the Mayor, transmitting a proposed resolution entitled "APPROVING COST ITEMS FOR UNIT 1, NON-SUPERVISORY BLUE COLLAR EMPLOYEES".

The purpose of the proposed resolution is to approve cost items and adjustments for non-supervisory blue collar employees within Bargaining Unit 1, which is represented by United Public Workers (UPW). The cost items total \$0 additional cost for Fiscal Year (FY) 2004 and \$1,221,707 for FY 2005. The additional costs are for wages, including fringe-benefit costs representing expenses that automatically increase when base salaries increase (e.g., FICA, Medicare, Unemployment Compensation, Employees' Retirement System contribution, and Workers' Compensation). The pay adjustments are summarized as follows:

<u>Effective Date</u>	<u>Increase</u>
July 1, 2004	\$7 per month
September 3, 2004	2.53% across the board
January 1, 2005	5.0% across the board
March 1, 2005	\$47.30 per month

2. County Communication No. 04-238, from the Mayor, transmitting a proposed resolution entitled "APPROVING COST ITEMS FOR

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NON-SUPERVISORY BLUE COLLAR EMPLOYEES EXCLUDED  
FROM BARGAINING UNIT 1”.

The purpose of the proposed resolution is to approve the cost items and adjustments for non-supervisory blue collar employees excluded from Bargaining Unit 1. The cost items total \$0 additional cost for FY 2004 and \$9,047 for FY 2005. The additional costs are for wages, including fringe-benefit costs representing expenses that automatically increase when base salaries increase (e.g., FICA, Medicare, Unemployment Compensation, Employees’ Retirement System contribution, and Workers’ Compensation). The pay adjustments are summarized as follows:

<u>Effective Date</u>	<u>Increase</u>
July 1, 2004	\$7 per month
September 3, 2004	2.53% across the board
January 1, 2005	5.0% across the board
March 1, 2005	\$47.30 per month

Your Committee notes that County Communication Nos. 04-237 and 04-238 were transmitted in accordance with Sections 89-10 and Section 89C-5, Hawaii Revised Statutes, respectively, which require that cost items shall be subject to appropriations by the appropriate legislative bodies.

At its meeting, your Committee met with the Deputy Director of Personnel Services, the Budget Director, and the Corporation Counsel.

There was no public testimony.

The Budget Director informed your Committee that appropriations for the cost items are included in the FY 2005 Budget.

The Deputy Director of Personnel Services stated that the agreement with the UPW ratified by letter dated August 17, 2004 applies to approximately

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500 non-supervisory, blue-collar employees. He noted that the entire cost for the two-year agreement for FY 2004 and FY 2005 is in the second year of the contract. He briefly reiterated the specifics of the cost items.

Your Committee voted to recommend adoption of the proposed resolutions and filing of the communications.

Your Committee is in receipt of revised proposed resolutions incorporating nonsubstantive revisions.

Your Budget and Finance Committee **RECOMMENDS** the following:

1. That Resolution No. \_\_\_\_\_, as revised herein and attached hereto, entitled "APPROVING COST ITEMS FOR UNIT 1, NON-SUPERVISORY BLUE COLLAR EMPLOYEES", be ADOPTED;
2. That Resolution No. \_\_\_\_\_, as revised herein and attached hereto, entitled "APPROVING COST ITEMS FOR NON-SUPERVISORY BLUE COLLAR EMPLOYEES EXCLUDED FROM BARGAINING UNIT 1", be ADOPTED;
3. That County Communication No. 04-237 be FILED; and
4. That County Communication No. 04-238 be FILED.

Adoption of this report is respectfully requested.

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**G. RIKI HOKAMA** **Chair**

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**DANNY A. MATEO** **Member**

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**WAYNE K. NISHIKI** **Vice-Chair**

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**MICHAEL J. MOLINA** **Member**

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**ROBERT CARROLL** **Member**

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**JOSEPH PONTANILLA** **Member**

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**JO ANNE JOHNSON** **Member**

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**CHARMAINE TAVARES** **Member**

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**DAIN P. KANE** **Member**